Edible oil launched by Cargill Seeds

4272. SHRI K.B. KRISHNA MURTHY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the multi-national Cargill Seeds has launched its branded edible oil in the market without seeking the mandatory approval of the Foreign Investment Promotion Board;

(b) whether Cargill has existing Government approvals for bringing in direct investment upto dollar 55.00 million, which is yet to be fully exhausted;

(c) whether Cargill has contended that its new business plan falls under the automatic route of FEMA which obviates the necessity of securing fresh approval; and

(d) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (d) Cargill Asia Pacific Ltd., USA has FIPB approval to set up a 100% subsidiary in India with investment amounting to US$ 25 million for undertaking, *inter alia,* trading of agricultural commodities and processed foods. The Indian subsidiary, Cargill India Pvt. Ltd., set up pursuant to the aforesaid approval, has also been granted FIPB approval in April 2002 for undertaking vegetable oil refinery activity by way of taking on lease the existing oil refineries or setting up own production facility depending upon market requiements. The approval is subject to the condition that in case the company manufactures vegetable oil (except by solvent extraction process) for refining, which is reserved exclusively for the SSI Sector, it would obtain Industrial License and undertake minimum 50% export obligation.

Incentives to developers of townships

4273. SHRI BHAGAT RAM MANHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to refer to answer to Starred Question 235 given in the Rajya Sabha on 19th March, 2002 and state:

(a) whether Government are considering to provide incentives by way of subsidies to the promoters/developers who have already built townships having provided basic amenities/facilities namely water, roads, electricity, etc.; and

(b) so, what are the details thereof?